

WASHINGTON. D.C. – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) [sent a letter today](#) to White House Counsel Robert Bauer calling on him to explain the Obama Administration's role in bailing out ShoreBank of Chicago.

"The Administration's apparent support for a ShoreBank bailout has predictably created a situation in which potential investors may be attempting to gain favor with the White House by contributing to the bailout fund," Issa wrote. "The unusually high level of interest in the Bank's survival among individuals well-positioned to contact the FDIC and state regulators merits heightened scrutiny of the process by which ShoreBank is either saved or closed. For this reason, I was alarmed to read that a source claims Mr. Ludwig implied to potential investors that the White House would look favorably on those who contribute to the bailout of ShoreBank during a recent conference call."

According to a source quoted by the *American Spectator*: "If you were on the call, the inference was that the White House wanted this bank saved. Obama's name wasn't invoked. [Valerie] Jarrett's or [**Rahm**] **Emanuel**'s names weren't invoked. But the implication was there. ... The White House would look favorably on this bailout."

“Interference by the White House with the FDIC’s standard procedures for dealing with distressed banks would be costly to those institutions insured by the Corporation,” Issa noted. “Perhaps more problematic are allegations that Goldman Sachs Chief Executive Lloyd Blankfein has agreed to contribute to the ShoreBank bailout as part of an effort to repair Goldman’s damaged relationship with the White House. Considering that Goldman Sachs is currently the subject of a Justice Department criminal investigation, it is important to avoid even the mere appearance that Mr. Blankfein is attempting to curry favor with the Administration by contributing money to save the White House’s favorite community bank.”

Questions posed in [Issa’s letter](#) to Bauer include:

1. Has anyone at the White House had any contact with officials from ShoreBank?

2. Has anyone at the White House encouraged any individual or bank to invest capital in ShoreBank?

3. Has anyone at the White House contacted any potential investors regarding ShoreBank?

4. Has anyone at the White House participated in any way during conference calls wherein individuals representing ShoreBank were attempting to raise capital from private investors?

5. Has anyone at the White House contacted the FDIC or the Illinois Department of Financial and Professional Regulation, Division of Banking regarding ShoreBank?